Large Business

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As a large business, you might be asking:

- Where do I come in?
- How do I participate in the commercialization effort?

Commercialization

The process of introducing a new product into the market is filled with risks and frustration. Many a concept fizzles prematurely at the marketing alter. This is where you, the large business, with your wealth of experience, can step up and make a difference. Pioneering a revolutionary new solution gives you the market leadership advantage. Under your tutelage, the fledgling small business will flourish, and you become the proud mentor.

A Win-Win Situation

As a large business with expertise in manufacturing and marketing, you are well suited to help hightech small businesses transition their R&D efforts into commercially viable solutions. The small business, the large business, the Federal Agency, and the economy all come out as winners.

To speed up the process of commercialization, agencies are providing avenues for large businesses to contribute funds early on. While each of the participating Federal Agencies has specific guidelines for large business participation, in general they offer a Fast-Track - where participating large businesses match funds and combine Phase I & II.

Commercialization Opportunities in SBIR/STTR Programs

Department of Defense (DoD)

Since 2000, DoD branches have developed their own Phase II enhancement policy to further encourage the transition of SBIR research into DoD acquisition programs as well as the private sector. The DoD has two opportunities available for SBIR and STTR projects that attract matching cash from an outside investor - Fast-Track and Phase II Enhancement. Both opportunities encourage rapid transition of SBIR/STTR R&D into commercialization.

Department of Homeland Security (DHS)

The DHS S&T SBIR Program has a cost match feature for Phase II SBIR projects. The purpose is to focus SBIR funding on those projects that are most likely to be developed into viable new products that DHS and others will buy, thereby making a major contribution to homeland security and/or economic capabilities.

The cost match can occur at the time of award or during the Phase II period of performance. Outside investors may include such entities as another company, a venture capital firm, an individual investor, an individual "angel" investor, a non-SBIR government program, or any combination thereof.

Commercial Partnership R&D Funding

Phase IIB Supplement Funding Opportunity (only applicable for SBIR and STTR Phase II grantees)

The objective of Phase IIB funding is to provide additional R&D funds to further accelerate commercialization of the Phase II project, when a qualifying third party financial investment/commitment has been received as a direct consequence of the NSF funded Phase I/Phase II research outcomes. The third party funding should serve to accelerate commercialization activity of the NSF funded Phase II Program.

Technology Enhancement for Commercial Partnerships (TECP)

Technology Enhancement for Commercial Partnerships (TECP) supplements to Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) program grantees are intended to pave the way for partnerships with strategic corporate partners and investors as a means to increase the potential for SBIR/STTR grantees to successfully commercialize their technology. Partnerships are recognized as a critical success factor for commercializing technology developed by small business. Potential partners, however, frequently demand technical specifications and require proof-of-concept data as a prerequisite for partnership that is beyond the scope of the Phase II project objectives. This supplemental funding will enable small businesses to conduct additional research to meet the requirements of a corporate partner that could lead to commercial products and services and a successful partnership.

This supplemental funding program is intended to challenge small businesses to begin to develop an outward focus and to more rigorously evaluate their strategic business and commercialization options. It is anticipated that this research will not only benefit the small business enterprise but also provide a mechanism for large and mid-sized corporations and investors to have input into the commercial development of new technology, products and services.

Next Steps

- Find suitable partners for sponsoring among the winners of past awards
- Review the <u>SBIR Policy Directive</u> and the <u>STTR Policy Directive</u>
- Search past awards in your related technology area
- Check out the currently open solicitations
- Check out upcoming events and workshops

External Links

- DoD SBIR beyond Phase II Conference
- DHS S&T SBIR Program: Cost Match Feature
- DoD's Fast-Track Program
- DoD's **Phase II Enhancement** programs
- NSF's Commercial Partnership R&D Funding programs
- NIH's Commercialization Assistance Program (CAP) programs